

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JULY 10, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, July 10, 2007, commencing at 7:01 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Hitchcock, Katzakian, and Mounce

Absent: Council Members – Mayor Johnson

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Internal Services Staffing Changes and Electric Utility Open Position and Power Procurement Needs"

City Manager King provided a brief introduction of the subject matter.

Deputy City Manager Krueger provided a presentation regarding internal services staffing changes. Mr. Krueger specifically provided an overview of various staffing changes made from previous years to the present. He also reviewed the overall organization of internal services and the budget associated with the same.

In response to Council Member Hansen, Mr. Krueger stated the positions shown in yellow include a reclassified position for the accounting manager and a retired position for the customer service manager. Mr. Krueger stated these positions were filled with people already employed by the City. He also confirmed the illustrated white positions are no longer here.

Discussion ensued between Council Member Hansen, Deputy City Manager Krueger, and City Manager King regarding the difference in budgeted amounts, including inflation comparisons, for the 2004-05 budget and the 2007-08 budget.

In response to Mayor Pro Tempore Mounce, Mr. Krueger stated the customer service supervisor position was reclassified and there was some opposition from the bargaining unit.

In response to Council Member Hitchcock, Mr. Krueger stated the budget manager is Kirk Evans and the financial services manager is Ruby Paiste. He also stated the human resources manager position is currently being recruited for and he is comfortable with the qualifications and workloads of individuals. Mr. Krueger provided an overview of the functions of various positions. Mr. King provided comments regarding organizational structure, previous budget related practices, and future goals regarding the same

In response to Council Member Hansen, Mr. Krueger stated the typical alignment between position classifications is 20%. Mr. King stated in some cases it may be less depending upon the steps.

In response to Council Member Hansen, Mr. Krueger stated they are working on restoring customer service as the remaining key positions are filled to meet the goal of being a more efficient organization. Council Member Hansen suggested doing an employee survey to measure internal customer service.

Electric Utility Director Morrow provided a presentation regarding the fiscal year 2008 open position. Topics of discussion included, but were not limited to, an overview, open position, open position in other cities, planned hedges, market price trends, laddering concept, existing open position, Northern California Power Agency (NCPA) cash position, NCPA power purchase project, Z.E. PowerGroup Inc., and a summary.

In response to Council Member Hansen, Mr. Morrow stated they will be making a purchase soon for the January-March open position of 25 megawatts. Mr. Morrow stated that, while 30 is the base load amount, low and high loads are a factor as well.

In response to Council Member Hansen, Mr. Morrow stated they hope to make the purchases by the end of the week if the numbers are favorable. Discussion ensued between Council Member Hansen and Mr. Morrow regarding downward trends, premiums for hedging, real time prices, and risk analysis.

In response to Council Member Hansen, Mr. Morrow stated there is a 10% open position for the next fiscal year. Mr. Morrow provided an overview of the laddering concept and three-year period benchmarks.

In response to Mayor Pro Tempore Mounce, Mr. Morrow stated staff will provide the open position numbers for Roseville as requested.

In response to Council Member Hansen, Mr. Morrow stated monitoring the market separate from NCPA is more of a generalization, and not a criticism, to keep our eyes open to procurement possibilities.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

None

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:04 a.m.

ATTEST:

Randi Johl
City Clerk